

SCHWARZ

January 31, 2007

Office of the General Counsel Federal Election Commission 999 E. St., N.W. Washington, DC 20463

RE: MUR 5887

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COMMISSION
OFFICE OF GENERAL
COUNSEL

I am writing on behalf of Schwarz for Congress, in response to a complaint filed against the committee by David Keating of the organization Club for Growth. The complaint concerns activity during the 2006 Republican primary campaign for the 7th Congressional District of Michigan. We are responding to the sections of the complaint that specifically relate to the Schwarz for Congress committee.

Allegation #1: The complaint alleges Congressman Schwarz exercised control over an organization, the Republican Main Street Partnership (RMSP) PAC, that performed independent expenditures on his behalf during the 2006 primary campaign. The basis for this allegation of "control" is that Congressman Schwarz served on the RMSP PAC "Advisory Board," which Mr. Keating suggests directed RMSP PAC activities.

As a member of Congress whose views were similar to those of RMSP, Congressman Schwarz allowed the organization and its PAC to list his name as a supporter. The PAC's website (http://mainstreetpac.com/about_us.htm), it should be noted, lists seven United States senators, 49 United States representatives and five governors as members.

If the 61-member "Advisory Board" has ever been convened ... and if it does, in fact, as Keating alleges, direct RMSP PAC expenditures, Congressman Schwarz never attended one of its meetings. He never held a position or cast any vote which allowed him to exercise control of its expenditures. Congressman Schwarz is neither a director or officer of the RMSP organization nor its PAC. Again, he had no say in the PAC's decision to air advertisements on behalf of his campaign.

Allegation #2: This portion of the complaint is premised on the aforementioned assumption that RMSP PAC and Schwarz for Congress coordinated expenditures. As coordination did not occur, this count should be dismissed.

The committee's July 2006 monthly report lists an \$865 contribution from the RMSP organization. This should have been reported as a contribution from RMSP PAC. We will be filing an amended statement with the commission.

Allegation #3: The allegations contained therein were dismissed by the FEC in ADR 355 (MUR 5782) and ADR 356 (MUR 5793), according to a letter dated Jan. 10, 2007, from Mary W. Dove, secretary of the Federal Election Commission.

Allegation #4: This allegation concerns expenditures performed by RMSP PAC. It does not concern activity of the Schwarz for Congress committee.

Allegation #5: This allegation concerns expenditures performed by RMSP PAC. It does not concern activity of the Schwarz for Congress committee.

Allegation #6: Keating asserts that Schwarz for Congress (as well as RMSP PAC) failed to file conduit reports for bundled contributions. RMSP PAC was never authorized as a conduit nor did Schwarz for Congress ever receive a conduit report from the organization. No bundling of contributions ever occurred and all contributions received by Schwarz for Congress were delivered directly to staff or agents of the committee, not RMSP or RMSP-PAC.

Allegation #7: This complaint is premised on the same assumption as Counts 1 and 2. As coordination did not occur, this allegations contained in this section of the complaint have no merit.

Sincerely,

Robert Hans Schuler